

First Extraordinary Session
Seventy-second General Assembly
STATE OF COLORADO

BILLPAPER

LLS NO. 20B-0052.01 Richard Sweetman x4333

SENATE BILL

SENATE SPONSORSHIP

Gonzales and Holbert, Moreno, Rodriguez

HOUSE SPONSORSHIP

Exum and Tipper, Bird, Gonzales-Gutierrez, Jaquez Lewis, Michaelson Jenet, Mullica, Weissman, Woodrow

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING TEMPORARY ASSISTANCE FOR INDIVIDUALS WHO ARE**
102 **FACING A FINANCIAL HARDSHIP DUE TO THE COVID-19**
103 **PANDEMIC, AND, IN CONNECTION THEREWITH, CREATING THE**
104 **EMERGENCY DIRECT ASSISTANCE GRANT PROGRAM AND**
105 **TRANSFERRING MONEY TO THE EMERGENCY DIRECT ASSISTANCE**
106 **GRANT PROGRAM FUND AND TO THE HOUSING DEVELOPMENT**
107 **GRANT FUND AND THE EVICTION LEGAL DEFENSE FUND FOR THIS**
108 **ASSISTANCE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

<http://leg.colorado.gov>.)

The bill requires the state treasurer to transfer \$44.5 million from the general fund to the housing development grant fund for the purpose of providing emergency housing assistance to individuals and households who have experienced financial need due to the COVID-19 pandemic or second-order effects of the COVID-19 pandemic. The money must be used by June 30, 2021.

The bill also creates the emergency direct assistance grant program (program) in the division of housing (division) within the department of local affairs (department) to provide grants to individuals who have experienced financial need due to the COVID-19 pandemic or second-order effects of the COVID-19 pandemic and are ineligible for certain other types of assistance. The bill allows the division to promulgate rules and requires the department to submit a report to legislative committees of reference with jurisdiction over local government and to the governor concerning the program.

The bill creates the emergency direct assistance grant program fund (fund) and directs the state treasurer to transfer \$5 million from the general fund to the fund for the program. The division must use the money by June 30, 2021.

The program is repealed, effective June 30, 2022.

The bill requires the state treasurer to transfer \$500,000 from the general fund to the eviction legal defense fund for the purpose of providing legal representation to indigent tenants to resolve civil legal matters arising on and after March 1, 2020, concerning an eviction or impending eviction related to the public health emergency caused by the COVID-19 pandemic. The state court administrator must use the money by June 30, 2021.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-32-721, **amend**
3 (1.7)(b); and **add** (1.7)(a.5) and (1.7)(g.5) as follows:

4 **24-32-721. Colorado affordable housing construction grants**
5 **and loans - housing development grant fund - creation - housing**
6 **assistance for persons with behavioral, mental health, or substance**
7 **use disorders - cash fund - appropriation - report to general assembly**
8 **- rules - definitions - repeal.** (1.7) (a.5) WITHIN THREE DAYS AFTER THE

1 EFFECTIVE DATE OF THIS SUBSECTION (1.7)(a.5), THE STATE TREASURER
2 SHALL TRANSFER FORTY-FOUR MILLION FIVE HUNDRED THOUSAND
3 DOLLARS FROM THE GENERAL FUND TO THE HOUSING DEVELOPMENT
4 GRANT FUND FOR THE PURPOSE OF PROVIDING HOUSING ASSISTANCE AS
5 SPECIFIED IN THIS SUBSECTION (1.7). MONEY TRANSFERRED PURSUANT TO
6 THIS SUBSECTION (1.7)(a.5) SHALL BE ACCOUNTED FOR SEPARATELY. THE
7 DIVISION MAY USE UP TO THREE PERCENT OF THE MONEY TRANSFERRED
8 PURSUANT TO THIS SUBSECTION (1.7)(a.5) FOR THE COSTS OF
9 ADMINISTERING THIS SUBSECTION (1.7).

10 (b) The general assembly shall appropriate the money transferred
11 to the fund pursuant to this subsection (1.7) to the division for use in
12 providing individuals and households who, on or after March 1, 2020,
13 have experienced financial need due to the COVID-19 pandemic or
14 second-order effects of the COVID-19 pandemic, with rental assistance,
15 residential mortgage assistance, HOUSING ASSISTANCE THAT PROVIDES
16 FUTURE HOUSING STABILITY, and guidance on how to access additional
17 housing services. The division must use the money TRANSFERRED TO THE
18 FUND PURSUANT TO SUBSECTION (1.7)(a) OF THIS SECTION by December
19 30, 2020, for the purposes specified in this subsection (1.7). THE DIVISION
20 MUST USE THE MONEY TRANSFERRED TO THE FUND PURSUANT TO
21 SUBSECTION (1.7)(a.5) OF THIS SECTION BY JUNE 30, 2021, FOR THE
22 PURPOSES SPECIFIED IN THIS SUBSECTION (1.7).

23 (g.5) HOUSING ASSISTANCE PROVIDED UNDER THIS SUBSECTION
24 (1.7) MAY INCLUDE PAYMENT OF ARREARS, INCLUDING OVERDUE RENT
25 PAYMENTS AND MORTGAGE PAYMENTS.

26 **SECTION 2.** In Colorado Revised Statutes, **add** 24-32-721.5 as
27 follows:

1 **24-32-721.5. Emergency direct assistance grant program -**
2 **created - purposes of grants - rules - applications - fund created -**
3 **report - definition - repeal.** (1) THERE IS HEREBY CREATED IN THE

4 DIVISION THE EMERGENCY DIRECT ASSISTANCE GRANT PROGRAM,
5 REFERRED TO IN THIS SECTION AS THE "GRANT PROGRAM", TO PROVIDE
6 GRANTS TO INDIVIDUALS WHO HAVE EXPERIENCED FINANCIAL NEED DUE
7 TO THE COVID-19 PANDEMIC OR SECOND-ORDER EFFECTS OF THE
8 COVID-19 PANDEMIC AND WHO MAY NOT BE ELIGIBLE FOR CERTAIN
9 OTHER TYPES OF ASSISTANCE, SUCH AS:

10 (a) UNEMPLOYMENT INSURANCE PURSUANT TO THE "COLORADO
11 EMPLOYMENT SECURITY ACT", ARTICLES 70 TO 82 OF TITLE 8;

12 (b) FOOD ASSISTANCE; OR

13 (c) FEDERAL STIMULUS PAYMENTS PURSUANT TO THE FEDERAL
14 "CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT," ALSO
15 KNOWN AS THE "CARES ACT", PUB.L. 116-36, AS AMENDED.

16 (2) THE DIVISION SHALL ADMINISTER THE GRANT PROGRAM AND,
17 SUBJECT TO AVAILABLE FUNDING, SHALL CONTRACT WITH NONPROFIT
18 ORGANIZATIONS TO AWARD GRANTS AS PROVIDED IN THIS SECTION.
19 SUBJECT TO AVAILABLE FUNDING, GRANTS SHALL BE PAID OUT OF THE
20 FUND CREATED IN SUBSECTION (5) OF THIS SECTION.

21 (3) THE DIVISION SHALL IMPLEMENT THE GRANT PROGRAM IN
22 ACCORDANCE WITH THIS SECTION. PURSUANT TO ARTICLE 4 OF THIS TITLE
23 24, THE DIVISION MAY PROMULGATE SUCH RULES AS ARE REQUIRED IN THIS
24 SECTION AND SUCH ADDITIONAL RULES AS MAY BE NECESSARY TO
25 IMPLEMENT THE GRANT PROGRAM, INCLUDING RULES SPECIFYING THE TIME
26 FRAMES FOR APPLYING FOR GRANTS, THE FORM OF THE GRANT PROGRAM
27 APPLICATION, AND THE TIME FRAMES FOR DISTRIBUTING GRANT MONEY.

1 (4) TO RECEIVE A GRANT, AN INDIVIDUAL MUST APPLY TO A
2 NONPROFIT ORGANIZATION WITH WHICH THE DIVISION HAS CONTRACTED
3 PURSUANT TO SUBSECTION (2) OF THIS SECTION.

4 (5) (a) THE EMERGENCY DIRECT ASSISTANCE GRANT PROGRAM
5 FUND, REFERRED TO IN THIS SECTION AS THE "FUND", IS HEREBY CREATED
6 IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY CREDITED TO THE
7 FUND PURSUANT TO SUBSECTION (7) OF THIS SECTION AND ANY OTHER
8 MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER
9 TO THE FUND.

10 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
11 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
12 FUND TO THE FUND.

13 (c) EXCEPT AS PROVIDED IN SUBSECTION (5)(e) OF THIS SECTION,
14 ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FUND
15 AT THE END OF A FISCAL YEAR REMAINS IN THE FUND AND DOES NOT
16 REVERT TO THE GENERAL FUND OR ANY OTHER FUND.

17 (d) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
18 THE DIVISION TO EXPEND FOR THE PURPOSES DESCRIBED IN THIS SECTION.

19 (e) THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED
20 AND UNENCUMBERED MONEY IN THE FUND ON JUNE 30, 2022, TO THE
21 GENERAL FUND.

22 (6) DURING THE SECOND REGULAR SESSION OF THE
23 SEVENTY-THIRD GENERAL ASSEMBLY, THE EXECUTIVE DIRECTOR OF THE
24 DEPARTMENT OF LOCAL AFFAIRS SHALL REPORT TO THE SENATE LOCAL
25 GOVERNMENT COMMITTEE AND THE HOUSE OF REPRESENTATIVES
26 TRANSPORTATION AND LOCAL GOVERNMENT COMMITTEE, OR ANY
27 SUCCESSOR COMMITTEES, UNDER THE "STATE MEASUREMENT FOR

1 ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART)
2 GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2, CONCERNING THE
3 ADMINISTRATION OF THE GRANT PROGRAM.

4 (7) (a) WITHIN THREE DAYS AFTER THE EFFECTIVE DATE OF THIS
5 SECTION, THE STATE TREASURER SHALL TRANSFER FIVE MILLION DOLLARS
6 FROM THE GENERAL FUND TO THE FUND FOR THE PURPOSES OF THIS
7 SECTION.

8 (b) THE DIVISION MUST USE THE MONEY BY JUNE 30, 2021, FOR
9 THE PURPOSES DESCRIBED IN THIS SECTION.

10 (c) THE DIVISION MAY USE UP TO THREE PERCENT OF THE MONEY
11 TRANSFERRED PURSUANT TO THIS SUBSECTION (7) TO PAY THE COSTS OF
12 ADMINISTERING THE GRANT PROGRAM.

13 (8) AS USED IN THIS SECTION, "COVID-19" MEANS THE
14 CORONAVIRUS DISEASE 2019 CAUSED BY THE SEVERE ACUTE RESPIRATORY
15 SYNDROME CORONAVIRUS 2, ALSO KNOWN AS SARS-CoV-2.

16 (9) THIS SECTION IS REPEALED, EFFECTIVE JUNE 30, 2022.

17 **SECTION 3.** In Colorado Revised Statutes, 13-40-127, **add**
18 (5)(c) and (8) as follows:

19 **13-40-127. Eviction legal assistance - fund - rules - report -**
20 **definitions - repeal.** (5) (c) ANY UNEXPENDED AND UNENCUMBERED
21 MONEY REMAINING IN THE FUND AT THE END OF A FISCAL YEAR REMAINS
22 IN THE FUND AND DOES NOT REVERT TO THE GENERAL FUND OR ANY OTHER
23 FUND.

24 (8) (a) WITHIN THREE DAYS AFTER THE EFFECTIVE DATE OF THIS
25 SUBSECTION (8), THE STATE TREASURER SHALL TRANSFER FIVE HUNDRED
26 THOUSAND DOLLARS FROM THE GENERAL FUND TO THE FUND. ON OR
27 BEFORE JANUARY 1, 2021, THE ADMINISTRATOR SHALL GRANT THE MONEY

1 TRANSFERRED PURSUANT TO THIS SUBSECTION (8)(a) TO QUALIFYING
2 ORGANIZATIONS THAT HAVE BEEN PREVIOUSLY AWARDED GRANTS FROM
3 THE FUND IN THE 2020-21 STATE FISCAL YEAR.

4 (b) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JANUARY 1,
5 2022.

6 **SECTION 4. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety.